



# ANNUAL REPORT



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international business aviation council



## IBAC Member Associations

# Overview of 2004

The 2004-year was the first full year of the IBAC Business Plan (2003 to 2008) dedicated to continuous improvement. The Council strengthened existing programs and initiated new studies to enhance business aviation safety, security, access and environmental protection.

In 2004 IBAC assisted the International Civil Aviation Organization (ICAO) celebrate its 60th anniversary. An IBAC article published in the ICAO document celebrating "60 Years of Global Cooperation" listed ICAO's achievements and its relationship with the industry over the years; it encouraged ICAO's continued emphasis on harmonization of rules and procedures worldwide. The year also marked the 35th ICAO triennial Assembly at which IBAC submitted a paper encouraging global harmonization of policies applicable to fractional ownership operations.

The Council's continued dedication to aviation safety was evident through the increased number of operator workshops for the International Standard for Business Aircraft Operations (IS-BAO). A DVD titled "An Introduction to IS-BAO" was introduced and made widely available to operators and aviation regulators, the objective being to increase awareness of the code of practice. An assessment of the safety value of IS-BAO was initiated and preliminary results using 110 jet accidents indicated substantial potential for avoidance of accidents through application of IS-BAO. A new chapter of the IS-BAO was developed in recognition of the imminent introduction of many new Very Light Jet aircraft.

Security also remained a focus as the industry sought means to enhance security best practices. The industry continued to address issues raised by regulatory authorities in response to their attention towards rulemaking for general aviation. IBAC teamed with other associations to develop a model security program for ground handling facilities. Substantial input on ICAO Annex 17 (Security) was provided to the ICAO Aviation Security Panel and its rule and drafting committee, targeted towards more realistic and effective security. Presentations on security were made to a number of organizations.

Regulators throughout the world continued to focus on safety regulations for corporate aviation. The new European Aviation Safety Agency (EASA) published a notice of proposed amendment (NPA) on Essential Requirements for pilot licensing and air operations, containing proposals for defining the safety objectives and implementing rules. IBAC and Members developed comprehensive comments to the NPA and also to the subsequent Comment Response Document (CRD). Essentially all of the recommendations made by the business aviation community were accepted by EASA. The industry forwarded a letter to EASA congratulating the organization on the excellent assessment.

In May of 2004, the ICAO Air Navigation Commission convened a meeting with the industry at which it was agreed that a more detailed roadmap was required for the implementation of CNS/ATM. The meeting stimulated the establishment of a Joint Committee of operators and manufacturers, tasked with the development of a business aviation recommendation to ICAO on the implementation of future air navigation systems.

The environment was also a feature in 2004 as IBAC completed a policy on aircraft emissions in preparation for the February meeting of the ICAO Committee on Aviation Environmental Protection (CAEP).



### **Definition of Business Aviation**

*That sector of aviation which concerns the operation or use of aircraft by companies for the carriage of passengers or goods as an aid to the conduct of their business, flown for purposes generally considered as not for public hire and piloted by individuals having, at the minimum, a valid commercial pilot license with an instrument rating.*

## **The IBAC Governing Board**

IBAC is a Council of national and regional business aviation associations. Governing Board Members in 2004 were:

Paul Stinebring - Chairman	National Business Aviation Association (NBAA)
Rui Thomas de Aquino -Vice Chairman	Associação Brasileira de Aviação Geral (ABAG)
Olivier de l'Estoile – Treasurer	EBAA—France (EBAA-F)
Brian Humphries – Past Chairman	European Business Aviation Association (EBAA) January to October
Rodolfo Baviera	Italian Business Aviation Association (IBAA), also, European Business Aviation Association (October to December)
Peter Gatz	German Business Aviation Association (GBAA)
Len Giacomelli	Canadian Business Aviation Association (CBAA)
Michael Keenan	Australian Business Aircraft Association (ABAA)
Charles McLeod	Business Aviation Association of Southern Africa
Masaki Nkatani	Japan Business Aviation Association (JBAA)
Terry Yeomans	British Business and General Aviation (BBGA)

The Corporate Secretary is William Stine of the NBAA.

## **Governing Board Meetings**

IBAC Bylaws require a minimum of one meeting of the Governing Board and Members each year. In 2004, two meetings of the Governing Board and Members were held as follows:

- Governing Board 39 (GB/39) – April 19, Guaruja, Brazil
- Governing Board 40 (GB/40) – October 15, Las Vegas, USA.

The 39th meeting of the Governing Board was held following the Latin America Business Aviation Conference and Exhibit (LABACE) in Sao Paulo, Brazil. Among the important issues discussed were the proposals for the ICAO Aviation Security Panel regarding on-demand charter operations and the Working Paper on Fractional Operations to be submitted to the ICAO Assembly. GB/40 was held following the NBAA Annual Meeting and Convention in Las Vegas. The Governing Board considered the recommendations to be made to EASA regarding the proposed new rules for aviation in Europe. The GB also reviewed the draft of a model program for security at ground handling facilities, and sanctioned the change of name of BAUA to the new British Business and General Aviation (BBGA) Association.

## IBAC Finance Committee

The IBAC Finance Committee is a committee of the Governing Board, chaired by the IBAC Treasurer. The Finance Committee is mandated, on behalf of the Governing Board, to oversee the financial program and annual expenditures. The Finance Committee met twice in 2004. Members in 2004 were:

Olivier de l'Estoile—Treasurer and Chairman (EBAA-France)  
 Rui de Aquino— (ABAG)  
 Peter Gatz— (GBAA)  
 Durwood Heinrich—(NBAA)

## Planning and Operations Committee (POC)

The IBAC Planning and Operations Committee (POC) met twice in 2004. POC/10 was held in Montreal, June 18 and 19 and POC/11 at the Piaggio facility in Genoa Italy, November 22 to 24. The POC continued to ensure representation with Business Aviation expertise at ICAO and other related international forums. Major focus in 2004 was on security, aviation rulemaking and on CNS/ATM implementation planning. Members of the IBAC Planning and Operations Committee in 2004 were:

Donald Spruston, Chairman, IBAC  
 John Batty, BBGA  
 Olivier de l'Estoile, EBAA-France  
 Adalberto Febeliano, ABAG  
 Rich Gage, CBAA  
 Brian Humphries, EBAA  
 William Stine, NBAA  
 Peter Ingleton, Secretary, IBAC

## Environmental Issues Workgroup (EIWG)

The EIWG is responsible for developing IBAC policy on environmental issues. Policies developed by EIWG are submitted to the IBAC Governing Board for approval. In 2004 a Policy on aircraft emissions was developed, approved by the GB, and applied as the business aviation position at the February meeting of the ICAO Committee on Aviation Environmental Protection (CAEP) in Montreal. Rich Gage (CBAA) is IBAC's Chairman of the EIWG and the Council's representative on CAEP. Extensive assistance was provided to the EIWG by representatives from airframe and engine manufacturers.

### **Sub-divisions of Business Aviation Definition**

#### Sub-division 1 Business Aviation – Commercial

*The commercial operation or use of aircraft by companies for the carriage of passenger or goods as an aid to the conduct of their business and the availability of the aircraft for whole aircraft charter, flown by a professional pilot(s) employed to fly the aircraft.*

#### Sub-Division 2 Business Aviation – Corporate

*The non-commercial operation or use of aircraft by a company for the carriage of passengers or goods as an aid to the conduct of company business, flown by a professional pilot(s) employed to fly the aircraft.*

#### Sub-Division 3 Business Aviation – Owner Operated

*The non-commercial operation or use of aircraft by an individual for the carriage of passengers or goods as an aid to the conduct of his/her business.*

## 2004 Highlights

The following were significant highlights in 2004:

- **Development of and presentation of a Working Paper on Fractional Ownership at the ICAO Assembly;**
- **Finalization of a policy on aircraft emissions;**
- **Substantial increase in the number of IS-BAO workshops;**
- **Successful input to EASA on Essential Requirements and Implementing Rules;**
- **Publication of Business Aviation Safety Brief, Issue No. 2; and**
- **Initiation of a Joint Committee of operators and manufacturers to develop recommendations to ICAO on CNS/ATM implementation.**

## Communications

Good two-way communications between IBAC Members and the IBAC Secretariat and between IBAC and the aviation community and governing bodies remains an IBAC priority. Principal mechanisms for keeping Members current with IBAC policies, aviation rules, airspace design and regional procedures are:

1. Governing Board Meetings and their minutes.
2. Planning and Operations Committee (POC) meetings and their minutes.
3. IBAC Electronic Update (Quarterly).
4. IBAC Printed Update (Quarterly).
5. Technical reports and bulletins.
6. IBAC Website ([www.ibac.org](http://www.ibac.org)).
7. Work Group Meetings and their minutes.
8. E-mail and phone.

Principal means of communication with authorities and the industry is through:

1. IBAC Flyer.
2. IBAC Update
3. IBAC Strategic Plan Brochure.
4. IBAC Website.
5. Presentations and Working Papers at Conferences
6. Kiosk at industry conventions.
7. Communication Meetings.

## IBAC Presentations

In 2004 IBAC made special presentations at the following Conferences and meetings:

- Various Member Conferences such as CBAA, NBAA, ABAA;
- SMI Security Conference in London;
- LABACE, ABACE and EBACE;
- ICAO Aviation Security Panel and ICAO Assembly;
- International Oceanic Airspace Conference;
- Corporate Aviation Safety Seminar;
- Numerous IS-BAO presentations at NBAA regional forums, etc.

## Business Aviation Representation

An important element of IBAC's 'raison d'être' is representing the interests of business aviation and its member national and regional associations at international meetings, workgroups and media events. The POC carefully considers each of the many international meetings to determine which sessions are significant to the interests of business aviation. Capable and knowledgeable persons are then assigned to each session. Technical Reports of each meeting are filed on the IBAC website.

### International Civil Aviation Organization (ICAO)

IBAC continues to recognize the importance of professional representation in ICAO Committees, Panels, Work Groups and Conferences. IBAC was represented at many ICAO meetings during the year, including Panel sessions and regional planning group meetings for the North Atlantic, Europe, South and Central America and Asia Pacific. Technical Reports on meetings are filed on IBAC's Website. IBAC's Technical Representatives on various ICAO forums are per the following table.

ICAO Programmes	Member	Alternate
AEP Airport Economics Panel	Ingleton	
ANSEP Air Navigation Services Economics Panel	Ingleton	
ALLPIRG All Planning Implementation Regional Groups	Spruston	Ingleton/Stine
APANPIRG Asia/Pacific Regional Planning Group	Spruston	Erickson
AVSECP Aviation Security Panel	Spruston	Ingleton
CAEP Committee on Aviation Environmental Protection	Gage	Gilley/Ingleton
WG 1 Noise (Technical)	Weir	
WG 2 Policy Guidance and Operations	Cotti	
WG 3 Emissions (Technical)	Vacant	
EANPG European Air Navigation Planning Group	Experton	Ingleton
FALP Facilitation Panel	Ingleton	
FCLTP Flight Crew Licensing and Training Panel	Evans	
GNSSP Global Navigation Satellite Systems Panel	Lichius	
GREPECAS CAR/SAM Regional Planning Group	Febeliano	Spruston
NAT ATMG Air Traffic Management Group	Bowers	
NAT EFG Economics and Financial Group	Ingleton	
NAT IMG Implementation Management Group	Stohr	Ingleton
NAT SPG Systems Planning Group	Ingleton	Stohr
OPSP Operations Panel	Ingleton	

## IBAC Aircrew Identification Card

The healthy demand for the Aircrew Identification Card continued in 2004, The total number of cards issued was 1,347 (compared with 1,362 in 2003). IBAC remains dedicated to the policy of a rapid turn around for crew card requests. The dedication of the Aircrew Card Administrator Paul Lessard is appreciated.

## International Standard for Business Aircraft Operations (IS-BAO)

The International Standard for Business Aircraft Operations continued to be well accepted by the business aviation community as the 'gold standard' for operational safety. A DVD providing a briefing on IS-BAO was developed and made available on request. Also in 2004, a supplement was developed for single pilot, high performance aircraft operations. Sales of the IS-BAO in 2004 were:

IS-BAO sales in 2004 - 124 (70 Forecast)

Nine IS-BAO Workshops were held, attended by 112 flight department personnel and auditors. IS-BAO presentations were made at a number of conferences, conventions and workshops including the 2004 Corporate Aviation Safety Seminar.

A study was commenced in 2004 to estimate the number of accidents that may have been prevented if flight departments involved had implemented the IS-BAO. Preliminary results of the analysis of 110 jet aircraft accidents indicates a potential of approximately 50% reduction in the number of accidents. Analysis of the turboprop accidents is planned for 2005.

## IS-BAO Standards Board

The fourth meeting of the IS-BAO Standards Board (formed in 2001) was held in Las Vegas in October 2004. The Standards Board has responsibility for keeping the IS-BAO current and dynamic. The Board approved a number of changes and a revision to be released January 1, 2005 was approved. In addition the Board increased the number of members in response to the formula developed by the Board in 2003. IS-BAO Standards Board Members are as follows:

### Chairman

John Batty, British Business and General Aviation (BBGA) Association

### Vice Chairman

Paul Stinebring, National Business Aviation Association (NBAA)

### Members

William Boucher (CBAA)  
Len Beauchemin (Eastman Kodak)  
Robert Conley (Aventis)  
Pat Dunn (Motorola)  
Steve Fisher (Shell)  
Gary Ridley (IBM Europe)  
Donald Spruston (IBAC)  
Bill Stine (NBAA)

### Secretariat

Ray Rohr, IBAC Standards Manager



## IBAC Financial Report for 2004

In accordance with IBAC Financial Policy a Review of IBACs accounts was completed by an independent accounting firm. The table below summarizes IBAC's accounts for the 2004 year. (Note: IBAC's Financial Policy requires an audit every three years. The last audit covered the period 1999 to 2001 inclusive. The next audit will be for the 2002 to 2004 period.)

The approved Reserve Fund for 2004 was set by the Governing Board at \$239,600. The Special Project Fund status at the end of 2004 was \$83,738 which is available for carryover to 2005. Expenditures and revenues balanced in 2004 so there was no surplus to be applied to the Reserve Fund and Special Project Fund. The IBAC financial position for the 2004 year-end was developed for review by the IBAC Finance Committee, chaired by the Treasurer, and submitted to the Board for approval in accordance with IBAC policy.

The following data summarizes the 2001 year-end financial position.

<b>2004 Year End Position (USD)</b>	
Total Assets at Year-End <i>(Cash &amp; Savings Certificates, inclusive of IS-BAO)</i>	\$589,818.
<b>2004 Report of Revenues and Expenditures (USD)</b> <i>(exclusive of IS-BAO)</i>	
Revenues	\$368,514.
Expenses	\$376,816.
Transfer from Reserve and Project Fund	\$ 8,302.
Net Income	\$ 0.
Operating Surplus	\$ 0.

More detail can be found in Appendices as follows:  
Appendix A - Statement of Financial Position  
Appendix B - Statement of Revenue and Expenditures

<b>IS-BAO Revolving Fund Year-End Summary (USD)</b>	
Current Assets at Year-End	\$151,734.
Revenues	\$146,962.
Expenses	\$129,652.
Net Income	\$ 17,310.

## The Way Ahead

The year 2005 will be significant for IBAC and its member associations. The final report on business aviation recommendations to ICAO on CNS/ATM implementation will be completed and submitted to the ICAO Air Navigation Commission, providing business aviation input to the planned revision of the Global Air Navigation Plan. IBAC will complete an internal review regarding the need to modernize the Standards and Recommended Practices applicable to corporate aviation within Annex 6 Part II *International General Aviation Operations*. Liaison will be conducted with EASA to ensure understanding and acceptance of the use of industry standards in rulemaking. Also planned is a briefing to the Centre d'European Normalization (CEN).

IBAC is prepared to address international issues that may impact the business aviation community, but in particular the Council has identified the following issues of immediate importance.

- Completion of comprehensive changes to be made to ICAO Annex 17 (Security);
- Assistance to both EASA and ICAO in development of aviation safety rules;
- Promote use of the model security program for use by ground handling facilities; and
- Provide planning information to both ICAO and business aviation operators regarding CNS/ATM.

IBAC's Business Plan 2003-2008 presents the blueprint for IBAC actions over the next five years. The Plan addresses the need to build on successful programs such as the International Standard for Business Aircraft Operations (IS-BAO), the Business Aviation Safety Brief and the Aircrew Identification Card program. The Planning and Operations Committee (POC) will continue to recruit talented and knowledgeable specialists to represent the interests of business aviation at international forums.

IBAC is resolved to continue efforts to ensure the business aviation community is well represented internationally and that an institutional mechanism is functioning effectively for the benefit of the global business aviation community.



## Appendix A

### Statement of Financial Position (Inclusive of IS-BAO Revolving Fund)

	2001	2002	2003	2004
<b>Assets</b>				
<u>Current Assets</u>				
Bank Accounts (Cash on hand)	\$ 98,851.	\$134,052.	\$149,014.	\$109,692.
Savings Certificates	\$205,656.	\$306,115.	\$403,637.	\$454,968.
GST and PST Receivable				\$ 25,158.
<b>Total Current Assets</b>	<b>\$304,507.</b>	<b>\$440,167.</b>	<b>\$552,651.</b>	<b>\$589,818.</b>
<u>Fixed Assets</u>				
Furniture and Equipment	\$ 0.	\$ 0.	\$ 0.	\$ 0.
<b>Total Assets</b>	<b>\$304,507.</b>	<b>\$440,167.</b>	<b>\$552,651.</b>	<b>\$589,818.</b>
<b>Liabilities &amp; Equity</b>				
<u>Liabilities</u>				
Accounts payable		\$10,761.	\$ 214.	\$ 977.
GST Paid on Expenses	\$(3,438.)	\$(9,448)	\$ 1,200.	
PST Refund	\$(6,872.)	\$(5,461.)	\$(11,548.)	
GST Payable	\$ 1,200.	\$ 1,200.	\$(12,425.)	
<b>Total Liabilities</b>	<b>(\$9,111.)</b>	<b>\$(2,948.)</b>	<b>\$(22,560.)</b>	<b>\$ 977.</b>
<u>Equity</u>				
Opening Equity Balance	\$176,585.	\$176,585.	\$176,585.	\$176,585.
Net Assets	\$ 50,960.	\$180,389.	\$363,006.	\$412,256.
Net Income	\$ 86,073.	\$ 86,140.	\$ 35,619.	\$ 0.
<b>Total Equity</b>	<b>\$216,236.</b>	<b>\$443,116.</b>	<b>\$552,651.</b>	<b>\$588,841.</b>
<b>Total Liabilities and Equity</b>	<b>\$304,507.</b>	<b>\$440,167.</b>	<b>\$552,651.</b>	<b>\$589,818</b>

## Appendix B

### Statement of Revenues and Expenses

#### Revenue

Aircrew Card	\$ 76,033.
Member Contributions	\$289,372.
Interest	\$ 3,108.
Special Project Fund	\$ 7,008.
Transfer from Reserve	\$ 1,294.

Total Revenue	\$ 376,816.
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#### Expenses

Aircrew Card	\$ 14,518.
Contract Services	\$ 27,703.
Hospitality	\$ 3,100.
Insurance	\$ 2,125.
Office Supplies, Tel, etc	\$ 14,683.
Office Lease	\$ 10,384.
Furniture and Equipment	\$ 509.
Professional Fees	\$ 2,752.
Publications	\$ 7,269.
Staff Contracts	\$192,676.
Staff Travel	\$ 53,982.
Travel for Technical Reps	\$ 31,288.
Miscellaneous/Contingency	\$ 2,642.
Special Projects	\$ 7,008.
Promotion at Conferences	\$ 6,170.

Total Expenses	\$ 376,816.
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<b>Net Income 2004</b>	<b>\$ 0.</b>
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### IS-BAO Statement of Revenues and Expenses

#### Revenue

IS-BAO Sales	\$ 89,960.
APM Manual Sales & Workshops	\$ 54,351.
Cert of Registration	\$ 850.
Miscellaneous	\$ 1,800.

Total Revenue	\$146,962.
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#### Expenses

Insurance	\$ 2,000.
Office Supplies, Tel, etc	\$ 8,800.
Administration	\$ 8,167.
Standards Manager	\$ 98,203.
Marketing and Sales	\$ 4,185.
Bank Charges	\$ 41.
GST	\$ 4,254.
Miscellaneous	\$ 4,000.

Total Expenses	\$129,652.
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<b>Net Income</b>	<b>\$ 17,310.</b>
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